




# City of Loma Linda Official Report

Floyd Petersen, Mayor  
Karen Hansberger, Mayor pro tempore  
Robert Christman, Councilmember  
Stan Brauer, Councilmember  
Robert Ziprick, Councilmember

COUNCIL AGENDA: September 9, 2003

TO: City Council

VIA: Dennis R. Halloway, City Manager 

SUBJECT: Request from the City of Seaside to join the California Joint Powers Insurance Authority



# CALIFORNIA JPIA

## MEMBERSHIP APPLICATION

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## REPORT OF INITIAL RISK MANAGEMENT EVALUATION

OF THE

CITY OF SEASIDE

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### I. RECOMMENDATION

It is recommended that the City of Seaside's application for membership in the CALIFORNIA JOINT POWERS INSURANCE AUTHORITY beginning September 1, 2003, be approved with an initial General Liability Program primary deposit of \$487,500. The City of Seaside did not apply for participation in the other CALIFORNIA JOINT POWERS INSURANCE AUTHORITY programs at this time.

### II. GENERAL INFORMATION

- A. Date of Survey: July 29, 2003
- B. Participants in Survey:
  - 1. For CALIFORNIA JPIA: Jim Gross, Member Services Manager  
Robert McNamara, Risk Manager
  - 2. For City: Daniel E. Keen, City Manager  
Daphne H. Hodgson, Finance Director  
Jerry Wombacher, Fire Chief  
Anthony J. Sollecito, Police Chief  
Nancy Towne, Director of Recreation  
Bjorn Lundegard, Public Works Superintendent  
Bob Beeson, PW Park Maintenance Crew Chief  
David Fortune, Maint. & Operations Supervisor

C. Description of Applicant:

Located in Monterey County between Sand City and the City of Monterey, the City of Seaside overlooks the Monterey Bay. Seaside is a quaint, coastal, bedroom-community with a population of over 33,000. The City's 8.9 square miles are primarily residential with sufficient retail to meet the needs of the community. Most working residents are employed outside the City, throughout the Monterey Peninsula and surrounding areas.

The largest revenue source in the City's General Fund is sales tax. The overwhelming majority of sales tax revenue stems from motor vehicles sold at the City's Auto Center. The City was recently able to annex portions of land from the former military base known as Fort Ord.

The City of Seaside was incorporated in 1954 as a Council-Manager form of government. The Council consists of four members elected with four-year, over-lapping terms. The Mayor is directly elected and serves a two-year term.

The City's 2002-2003 operating budget is \$28,146,900 with a staff of 162 full-time employees; the 2002-2003 payroll budget is \$9,044,587. The City has its own Police and Fire Departments.

During the survey, City staff displayed knowledge and concern about risk management issues. This attitude was reflected in recent projects initiated to improve the physical infrastructure of the City, which generally appeared to be satisfactorily maintained. The City of Seaside allocated \$3,181,000 to capital improvements in 2002-2003.

### III. CURRENT INSURANCE PROGRAM

The City is currently insured with Municipal Mutual Insurance Company on a stand-alone commercial liability policy with a \$10,000,000 occurrence limit and no aggregate limit, with a self-insured retention of \$150,000. The sub-limit for Employment Practices Liability coverage is \$5,000,000 per occurrence, with a \$5,000,000 general aggregate. The City of Seaside's current general liability policy will expire on September 1, 2003.

### IV. EXPERIENCE AND LOSS DATA

General and Automobile Liability:

The City has a liability loss history consistent with the scope of its operations. Over the past seven years, it has averaged about 29 losses per year with an average claim cost of \$11,264. The annual average total cost of all liability claims during the same time period was approximately \$323,443.

## V. APPLICATION FEE AND DEPOSIT COMPUTATIONS

### A. Application Fee:

The City of Seaside paid an application fee of \$1,000. This fee may be applied toward the primary deposit if the City is approved as a member, or it may be refunded if membership is not approved.

### B. General Liability Deposit:

The initial primary deposit covering the period July 1, 2003, through June 30, 2004, was established at \$585,000. The deposit is based on a pro forma analysis of the City's claims history covering the period July 1, 1995, to June 30, 2002. If the City of Seaside joins the CALIFORNIA JPIA on September 1, 2003, the initial primary deposit will be prorated at \$487,500 for coverage from September 1, 2003, through June 30, 2004.

## VI. PHYSICAL INSPECTION AND COMMENTS

### A. CITY HALL

City Hall houses the departments of Administration, Finance, Personnel, Community Development, Police, and the City Clerk. The building is approximately 45 years old and appears to be adequately maintained.

### B. PUBLIC WORKS

The Public Works staff is responsible for inspecting and maintaining City owned facilities and playground equipment. The department has two Certified Playground Safety Inspectors on staff. The Public Works staff is also responsible for street and sidewalk maintenance, fleet maintenance, sewer and storm drain maintenance, sign maintenance, and water generation, sanitization and distribution. Outside contractors perform traffic signal maintenance, park landscaping services, and major infrastructure projects.

### C. PARKS AND PLAYGROUNDS

The City has 24 parks, of which 16 have playground equipment. A staff Certified Playground Safety Inspector audited the playground equipment within the past year. An action plan is being developed for replacement of non-compliant playground equipment over the next few years. Most of the playground equipment at City parks was reportedly between five and ten years old.

The City acquired two 18-hole golf courses through the annexation of portions of Fort Ord. A private company under contract operates both golf courses.

The City has two lakes, which are both surrounded by City parks. Swimming and water sport activities are prohibited at both City-owned lakes. The City's beachfront and beach parking lot are operated and maintained by the State Parks Department. The beach area has one lifeguard who is employed by the State Parks Department. The cities of Monterey and Seaside both reimburse a portion of the lifeguard expenses to the State Parks Department.

#### D. RECREATION DEPARTMENT

The City of Seaside employs a Recreation Director who coordinates all recreational activities. The local schools operate year-round. The City's recreation programs include preschool and after-school programs for elementary school students through early teenage children. The City also provides recreational activities for both senior citizens and adults with developmental disabilities. The Recreation Department has 7 full-time employees, 65 part-time employees, and approximately 50 volunteers.

Recreational programs are conducted at two joint-use school facilities, the City-owned parks, the Oldemeyer Center, the Youth Education Center, and the Swim Center. The Swim Center houses two indoor pools. Participants in all City-sponsored recreational activities are required to sign a hold harmless agreement prior to actual participation.

#### E. STREETS AND SIDEWALKS

The City recently completed a sidewalk replacement/repair program throughout the City. Adequate signs, pavement markings, and roadway conditions were observed during the evaluation. All of the main City streets and sidewalks are formally inspected annually. Lesser-traveled streets and sidewalks are inspected every two years.

Road striping and pavement markings are reviewed annually and repainted as needed. The sidewalks, footpaths, curbs, and gutters observed during the survey had no significant uplift or other dangerous conditions. City maintenance crews perform seam and crack sealing and pothole repair. Major repair, maintenance or modifications are contracted on a bid basis with firms that have the requisite expertise.

### VII. WATER AND OTHER UTILITIES

The Public Works Department manages a water production, sanitation, and distribution system that serves approximately 750 customers. Cal-American Water Company serves the balance of the City. The City operates two 500,000-gallon water storage tanks; there are no water reservoirs. City water is generated from operational wells.

The Seaside County Sanitation District is responsible for the transportation of

sewage waste from residential and commercial buildings to a sewage treatment plant operated by the Monterey Regional Water Pollution Control Agency. The District's governing board consists of the Mayor from each of the three participating cities of Seaside, Sand City and Del Rey Oaks. The District is responsible for installation and maintenance of sewer lines and lift stations. The City of Seaside performs maintenance and administration services for the District.

## **VIII. FIRE DEPARTMENT**

The City's Fire Department provides fire protection and medical aid services. The Fire Department has a dedicated Hazmat Team that responds to hazardous material release incidents in the City and surrounding area under a written mutual aid agreement. The Fire Department has automatic aid agreements with the cities of the Monterey Peninsula and with the active portion of Fort Ord.

The Fire Department responded to approximately 2,000 calls in 2002. Medical emergencies account for approximately 75% of all calls. Structural fires account for approximately 1% of all calls. The Fire Department has 24 full-time firefighters and approximately 10 reserve firefighters. The City does not use volunteer firefighters. The City has two certified fire mechanics on staff that perform all routine vehicle maintenance for the emergency vehicles. Vehicle service outside of the capabilities of the staff mechanics is outsourced.

## **IX. POLICE DEPARTMENT**

The City of Seaside has its own Police Department with 43 full-time sworn officers and 8 reserve officers. In addition to the paid staff, the Police Department has three administrative volunteers. Volunteers submit to a background check and receive training before starting the program. The department has documented policies on use of force and restraint, vehicular pursuits, and domestic violence.

The department appeared to be in compliance with established State Peace Officer Standards and Training (POST) requirements. Training is documented and conducted on a regular basis.

The department has structured debriefing sessions with the involved officers after serious incidents (shootings, chases, and injuries). The department uses non-lethal weapons, and officers receive initial and refresher training on their use.

The department has one motorcycle unit and one canine unit. The County of Monterey handles dispatch. The City has one temporary holding cell. If prisoners are to be held for more than 24 hours, they are transported to the County Jail.

## **X. SUMMARY AND EVALUATION**

City management employees demonstrated their understanding and appeared committed to risk management principles. It was evident that the City is aware that hazardous conditions need to be evaluated and addressed to reduce the City's exposure to risk/loss.

It is the CALIFORNIA JPIA staff's conclusion that the physical inspection, committed leadership and interest expressed qualify the City of Seaside for consideration for membership in the CALIFORNIA JPIA.

We also find that membership will benefit the City by providing reliable and economical coverage. In addition to the benefit of spreading pooled losses and costs to a greater number of member agencies, existing members will benefit from expanded, cost-effective training programs in the Central California region.



**City of Seaside  
Membership Application**



# CALIFORNIA JOINT POWERS INSURANCE AUTHORITY

8081 Moody Street, La Palma, California 90623

(562) 467-8700 • FAX (562) 402-8692

## City of Seaside

### APPLICATION FOR MEMBERSHIP

INSTRUCTIONS: Please complete the following underwriting information. You may attach additional sheets, if necessary, to amplify your answers. The application should be signed by the City Manager. Please type your answers.

Date of Application: 7/30/03

Date of Incorporation: Oct. 13, 1954

CITY OF: CITY OF SEASIDE COUNTY OF: MONTEREY

ADDRESS: 440 Harcourt Ave., P.O. Box 810, Seaside, Ca 93955

MAIN PHONE: (831) 899-6700 MAIN FAX: (831) 899-6227

WEBSITE: WWW.ci.seaside, ca. us

APPLICATION COMPLETED BY: Daphne Hodgson PHONE: (831) 899-6718

FUNCTION:	Salutation	Name	Actual Title	Phone	Email
City Manager:		(SEE ATTACHED PAGE)			
Finance Officer:					
Public Works Director:					
Parks & Rec Director:					
Planning Director:					
City Clerk:					
Personnel Director:					
Risk Manager:					
City Attorney:					
Police Chief:					
Fire Chief:					

1. POPULATION: 33,461

2. AREA: 8.89 sq. miles or 5,690 acres, increasing w/aquisition of Ft Or properties.

3. TOTAL OPERATING BUDGET (FY 2002-2003): \$28,146,900 including Redevelopmen  
(please provide a copy of your adopted budget) agency of \$5,604,400 and Capital outl  
of \$1,179,000

4. EMPLOYEE CENSUS:

SEE ATTACHED  
ORGANIZATION CHARTS

Gross Payroll for  
Calendar year 2002  
(include non-taxable  
compensation & PT)

	FT (Positions)	PT <del>XXXXXX</del>	VOL (People)	
Clerical Office	(8810) 37	12	18	1,713,841
Municipal Non-Manual	(9410) 17			710,404
All Other Municipal	(9420) 37	12	40	1,332,040
Fire Fighters	(7706) 25			1,853,296
Reserve Fire Fighters	(7707) 0	MAX 10		0
Police Officers	(7720) 43			2,894,870
Reserve Police Officers	(7722) 0	8		
Bus Operators	(7382) 0	0	0	0
Pilots	(7424) 0	0	0	0
Animal Services	(8831) 1			31,575
Water Works	(7520) 2			85,007
Sanitation Employees	(7580)			
All Other	(9999)			423,554
TOTAL EMPLOYEES & GROSS PAYROLL (Calendar year 2002)	162	42	58	9,044,587

5. CURRENT INSURANCE PROGRAM (or last insured year):  
In addition, please submit the face sheets of all current policies.

A. GENERAL LIABILITY COVERAGE: (Claims made or occurrence, please specify)

1. Primary Coverage:

Carrier: Municipal Mutual  
 Policy Period: 9/01/02 - 9/01/03 Employment practices  
 Occurrence Limit: \$10,000,000 5,000,000  
 Premium: \$ 211,303  
 Deductible/Retention: \$ 150,000  
 Claims Administrator: \$ Crawford

EXCESS LIABILITY COVERAGE:

N/A \$ \_\_\_\_\_ Excess of \$ \_\_\_\_\_  
 Carrier: \_\_\_\_\_  
 Policy Period: \_\_\_\_\_  
 Premium: \$ \_\_\_\_\_

N/A \$ \_\_\_\_\_ Excess of \$ \_\_\_\_\_  
 Carrier: \_\_\_\_\_  
 Policy Period: \_\_\_\_\_  
 Premium: \$ \_\_\_\_\_

\$ \_\_\_\_\_ Excess of \$ \_\_\_\_\_

Carrier: \_\_\_\_\_

Policy Period: \_\_\_\_\_

Premium: \$ \_\_\_\_\_

N/A

B. WORKERS' COMPENSATION COVERAGE:

1. Primary Coverage:

Carrier: Monterey Bay Area Insurance Fund  
Policy Period: 7/01/03 - 6/30/04  
Premium: \$ 920,658 + 73,920 assessment  
Employers Liability Limit: \$ 5,000,000  
Deductible/Retention: \$ 100,000

Claims Administrator: JT2

2. Excess Workers' Compensation Coverage:

\$ \_\_\_\_\_ Excess of \$ \_\_\_\_\_  
Carrier: \_\_\_\_\_  
Policy Period: \_\_\_\_\_  
Premium: \$ \_\_\_\_\_

N/A

C. PROPERTY INSURANCE:

1. Coverage: (Replacement cost or other, please specify)

Insured values: \$ \_\_\_\_\_  
Buildings: \$ 15,983,525  
~~Contents~~ Equipment: \$ 1,023,950  
Vehicles: \$ 0  
Other: \$ See attached  
Total Values \$ 17,007,475

Carrier: St. Paul  
Policy Period: 9/01/02 - 9/01/03  
Premium: \$ 43,785.00

Earthquake and Flood  
Premium - \$44,350.00  
Policy Period - 7/01/03 - 7/01/04  
Carrier - Vikco Insurance Services

6. LOSS EXPERIENCE SUMMARY: (Past five completed years)

Additionally, please submit detailed claims information for the past ten years. See "Claims History" forms for more information.

A. GENERAL LIABILITY INCURRED LOSSES:

Year	Number of Losses	Amount of Losses

This information has been provided for liability & workers' compensation.

B. WORKERS' COMPENSATION INCURRED LOSSES:

Year	Number of Losses	Amount of Losses

C. INSURED PROPERTY INCURRED LOSSES:

Year	Number of Losses	Amount of Losses
2002		0
2001		0
2000		0
1999		0
1998		0

See attached

## 7. GENERAL EXPOSURES:

	Number	Area
A. Waterfront Property:	<u>SEE ATTACHED</u>	
B. Cemeteries:	<u>0</u>	
C. Housing:	<u>SEE ATTACHED</u>	
D. Libraries and/or Museums:	<u>SEE ATTACHED</u>	
E. Parks and Playgrounds:	<u>SEE ATTACHED</u>	
F. Stadiums and/or Grandstands:	<u>0</u>	
G. Swimming Pools:	<u>SEE ATTACHED</u>	
H. Golf Courses:	<u>2</u>	<u>2,679 acres</u>
I. Police Horses:	<u>0</u>	
J. Police Canines:	<u>1</u>	
K. Auditoriums and/or Exhibition Halls:	<u>0</u>	
L. Community Centers:	<u>SEE ATTACHED</u>	
M. Buildings Leased to Others:	<u>SEE ATTACHED</u>	
N. Land Leased to Others:	<u>SEE ATTACHED</u>	
O. Buildings and/or Land Leased by Organization:	<u>0</u>	
P. Hospitals:	<u>0</u>	
Q. Airports:	<u>0</u>	
R. Fixed-Wing Aircraft:	<u>0</u>	
S. Helicopters:	<u>0</u>	
T. Motorpools / Garages:	<u>1</u>	
U. Underground Storage Tanks:	<u>0</u>	
V. Permits:	<u>-</u>	
Construction:	291 in 2002, est 500 in 2003	
Demolition:	included in above (approx 1%)	
Environmental/Hazards:	<u>n/a</u>	
Other: Encroachment	<u>79 in 2002</u>	

## 8. VEHICLE EXPOSURES:

### A. General Vehicles:

	Number	
Passenger Sedans (non-police):	<u>28</u>	Vehicle Schedule Attached
Pickups & other maintenance vehicles:	<u>23</u>	
Construction/Heavy Equipment:	<u>15</u>	
Other:	<u></u>	

### B. Emergency Vehicles:

#### Police:

Passenger:

21

Motorcycles:

3

Pickups/Vans:

2 + mobile substation (RV)

#### Fire:

Passenger:

2

Pickups/Vans:

5

Apparatus:

4

C. Public Transit Vehicles:

Mini Buses/Vans:

2

Buses:

1



9. ROADWAY AND TRAFFIC EXPOSURES:

A. City Streets: (miles)	<u>66.2 + 1.9 in Ft. Ord</u>
B. County Roads: (miles)	<u>0</u>
C. State Highway: (miles)	<u>0.92</u>
D. Traffic Signals: (number)	<u>12</u>
E. Parking Lots: (number)	<u>8</u>
F. Parking Meters: (number)	<u>0</u>
G. Sidewalks: (miles)	<u>105</u>

10. POLICE SERVICES EXPOSURES:

A. Number of Sworn Officers:	
Full-time:	<u>43</u>
Part-time:	<u>0</u>
B. Number of Reserves:	
Level I:	<u>7</u>
Level II:	<u>1</u>
C. Number of Police Stations:	<u>1 + 2 substations</u>
D. Number of Jail Facilities:	<u>1</u>
Number of Cells:	<u>4 (24 hour holding cells)</u>
E. Is there a Policy and Procedures Manual?	<u>yes</u>
F. Is there a written Pursuit Policy?	<u>yes</u>
G. Is there a written Policy on the use of Firearms?	<u>yes</u>
H. Is there a written Policy on the use of Canines?	<u>yes</u>

11. FIRE SERVICES EXPOSURES:

A. Number of Sworn Fire Personnel:	
Full-time:	<u>25</u>
Part-time:	<u>0</u>
<del>XXXXXX</del> Reserves	<u>10 MAX</u>
Paramedics:	<u>0</u>
B. Number of Fire Stations:	<u>1</u>

12. UTILITY SERVICES EXPOSURES:

A. Water Department: The City-owned and operated water department provides service to approximately 750 customers. The balance of the city is served by Cal-American Water Co.  
Please submit an inundation map showing location and describe each dam. N/A

1. Number of Employees:	<u>2</u>
2. Average capacity/day:	
Domestic:	<u>330,000 gal. per day</u>
Industrial:	<u>0</u>
3. Source of supply:	<u>well</u>
4. Dams:	

Number:

0

Capacity:

n/a

Type:

n/a

5. Reservoirs:

Number: 0  
Capacity: n/a  
Type: n/a

6. Storage tanks:

Number: 2  
Capacity: 0.5 million gal. each  
Type: Stand pipe

7. Source of water supply:

ground water

B. Sanitary Sewer Service:

SEE ATTACHED

Number of employees: 2  
Average capacity/day: n/a  
Level of treatment: n/a

Effluent discharged to:

pumped to Monterey Regional Water  
Pollution Control Authority

C. Service Suppliers:

Electrical Power: PG&E  
Natural Gas: PG&E  
Telephone: SBC/CAL-NET  
Cable Television: COMCAST  
Water: (if private) Cal American  
Solid Waste Disposal: Carmel Marina, subsidiary of  
Waste Management, INC.

13. Please include material information not requested on this form.

ACKNOWLEDGEMENT (To be completed by City Manager):

All of the above information, including attachments, has been fully disclosed. The CALIFORNIA JPIA may rely on these answers, including attachments, when considering this application for membership.

NAME: Daniel E. Keen

DATE: July 25, 2003

SIGNATURE: 

